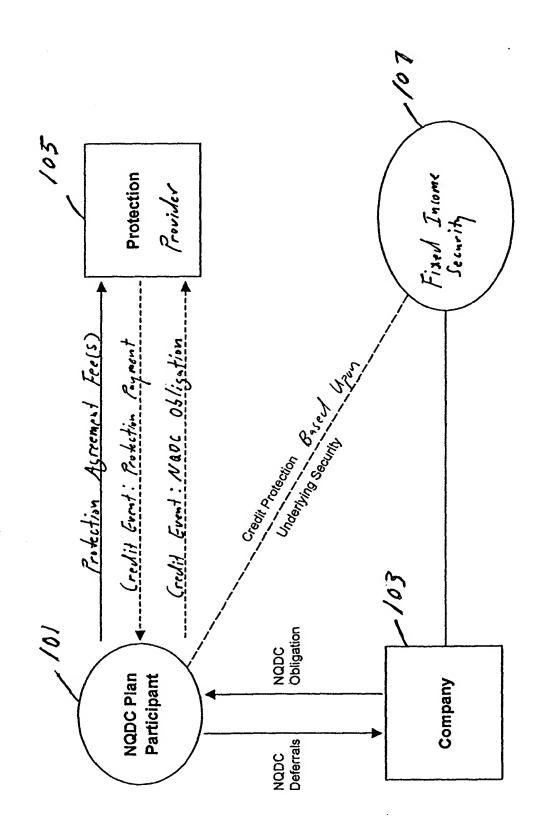
F19.1



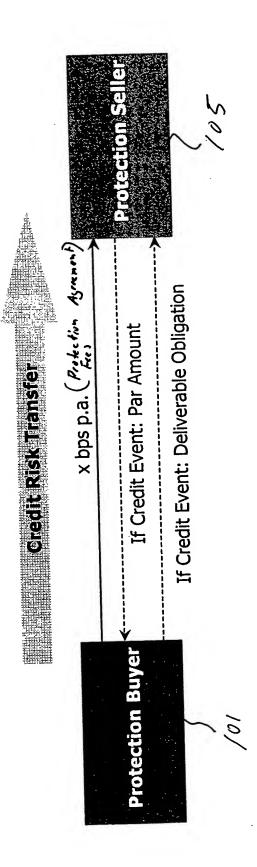


Fig. 2

Credit Event Occurs
(Subject to available public
information about the condit



**Settlement Procedures** 



Physical Settlement\*
 Buyer delivers Deliverable Obligations to Seller in exchange for par amount

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 Cash Settle Seller pays Buyer par amount minus Final Price

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 Binary Cash Settle: Seller pays Buyer a preagreed amount, i.e. par amount

ISDA defined Credit Events:

Bankruptcy\* Failure to Pay\*

Restructuring\* Obligation Default

Obligation Acceleration

Repudiation/Moratorium

Obligations categories:

Payment

**Borrowed Money\*** 

Bond or Loan

Bond

LoanReference Obligations Only

\* asterisk denotes US market standard

